

COMMONWEALTH OF KENTUCKY
BEFORE THE PUBLIC SERVICE COMMISSION

In the Matter of:

THE APPLICATION OF DANBURY CELLULAR)	
TELEPHONE CO. FOR ISSUANCE OF A)	
CERTIFICATE OF PUBLIC CONVENIENCE)	
AND NECESSITY TO PROVIDE DOMESTIC)	
PUBLIC CELLULAR RADIO TELECOMMUNI-)	
CATIONS SERVICE TO THE PUBLIC IN)	CASE NO. 90-391
THE KENTUCKY RURAL SERVICE AREA)	
WHICH INCLUDES MADISON, ROCKCASTLE,)	
LAUREL, GARRARD, BOYLE, LINCOLN,)	
CASEY AND PULASKI COUNTIES, KENTUCKY,)	
FOR APPROVAL OF FINANCING, AND FOR)	
ESTABLISHMENT OF INITIAL RATES)	

O R D E R

On December 14, 1990, Danbury Cellular Telephone Co. ("Danbury Cellular") filed an application seeking a Certificate of Public Convenience and Necessity to construct and operate a cellular radio telecommunications system for Rural Service Area No. 6 ("RSA No. 6") and for approval of financing and initial rates. RSA No. 6 includes Madison, Rockcastle, Laurel, Garrard, Boyle, Lincoln, Casey, and Pulaski counties in Kentucky. The application requests authority to construct a Mobile Telephone Switching Office and four-cell sites, two in Rockcastle County, Kentucky and one each in Madison and Laurel counties, Kentucky.

On January 22, 1991, Danbury Cellular amended its application to request current consideration of only the Madison cell site. The amended application included the engineering plans,

specifications and other necessary information related to the Madison cell site.

The proposed Madison cell site consists of a 285 foot antenna tower to be located at 1580 Berea Road off U.S. Highway 25 in Richmond, Kentucky. Only one structure lies within a 500 foot radius of the proposed cell site. Danbury Cellular notified the occupant of that structure, as well as the property owner, of the proposed construction. On January 24, 1991, Danbury Cellular filed affidavits of the occupant and property owner, each stating that he had no objection to the proposed construction and no desire to submit comments or intervene.

Danbury Cellular has provided information regarding the structure of the tower, safety measures, and antenna design criteria. The Madison tower design conforms to all standard engineering codes. The tower should withstand high winds, tornadoes, and earthquakes. Should the tower start to fall, the tower is so designed that it should bend along its length and fold upon itself rather than falling in the direction of any building within its radius.

Pursuant to KRS 100.324(1), the proposed cell site construction is exempt from local zoning ordinances. However, Danbury Cellular notified the Richmond Planning and Zoning Commission by letter dated November 27, 1990 of the proposed Madison cell site. No objections or comments were filed.

The Federal Communications Commission has already granted Danbury Cellular authority to operate. On November 3, 1990, Danbury Cellular filed its applications with the Federal Aviation

Administration and Kentucky Airport Zoning Commission seeking their approval for the proposed cell site. These applications are still pending.

Danbury also requested, pursuant to KRS 278.300, authorization to issue evidence of indebtedness in an amount up to \$5 million. Danbury proposes to execute a \$5 million Letter of Credit with the Central Trust Company, a division of Mid-Atlantic Bank, Rochester, New York. The terms of the Letter of Credit will require interest at prime plus .5 percent for the first 18 months, with the amount then owing converted to a 7-year term loan with interest at the bank's prime rate plus 1 percent. The loan proceeds will be used to construct the proposed cellular telephone system in RSA #6. The Commission finds that the proposed financing is for a lawful object within the corporate purpose of Danbury, is consistent with the proper performance by Danbury of its service to the public and will not impair its ability to perform that service, and is reasonably necessary and appropriate for such purpose.

The application further seeks approval of initial rates and tariffs. Based on a review of the record, the Commission finds that the rates and tariffs should be approved.

The Commission, having considered the evidence of record and being otherwise sufficiently advised, HEREBY ORDERS that:

1. Danbury Cellular be and it hereby is granted a Certificate of Convenience and Necessity to operate a cellular telecommunications system in Madison County, Kentucky.

2. Danbury Cellular be and it hereby is granted authority to construct a Mobile Telephone Switching Office and a 285 foot cellular radio telecommunications antenna tower at 1580 Berea Road in Richmond, Madison County, Kentucky.

3. Danbury Cellular be and it hereby is granted authority to issue evidence of indebtedness in an amount not to exceed \$5 million in accordance with the terms and conditions more fully specified in the application, and proceeds shall be used only for the lawful purposes specified in the application.

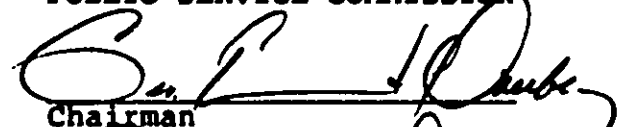
4. Danbury Cellular's proposed rates and tariffs be and they hereby are approved.

5. Within 30 days from the date of this Order, Danbury Cellular shall file its tariff sheets in accordance with 807 KAR 5:011.

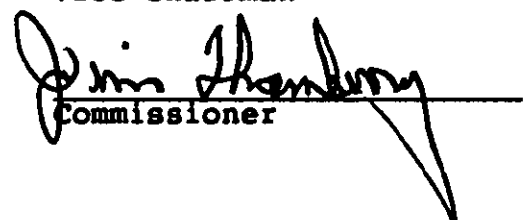
Nothing contained herein shall be construed as a finding of value for any purpose or as a warranty on the part of the Commonwealth of Kentucky or any agency thereof as to the securities authorized herein.

Done at Frankfort, Kentucky, this 22nd day of February, 1991.

PUBLIC SERVICE COMMISSION


Chairman


Vice Chairman


Commissioner

ATTEST:


Executive Director